



Oct. 19, 2016

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th St, SW
Washington, D.C. 20554

**Re: Notice of *Ex Parte* presentations
WC Docket Nos. 16-143 & 05-25**

Dear Ms. Dortch:

On Tuesday, Oct. 18, 2016, I spoke by phone with both Claude Aiken in Commissioner Clyburn's office and Travis Litman in Commissioner Rosenworcel's office about the Business Data Services (BDS) proceeding. I made the following comments, which are consistent with the letter filed by the SHLB Coalition yesterday on these issues:

- The final Order on BDS should be technology-neutral, consistent with the Tech Transitions order.
- Most anchor institutions purchase Ethernet services. By focusing on TDM, the proposal does not provide much benefit for schools, libraries, health providers.
- The proposal is illogical and potentially vulnerable on appeal because it divides the BDS market into two separate markets (TDM and Ethernet) when the Tech Transitions Order recognizes they are part of the same market.
- The record in the proceeding supports an immediate price reduction of between 17% and 20% for non-competitive services, rather than the proposed 11% reduction delayed over 3 years.
- The complaint process is not a realistic enforcement option for anchor institutions.
- The SHLB Coalition wishes to work with the Commission to improve the order so that it is technology-neutral and so that it can be approved before the end of this year.

In addition, I was asked to provide evidence of how many anchor institutions purchase low-capacity bandwidth below 50 Mbps. The following information responds to that request:

- 42 percent of public libraries have a broadband connection slower than 10 Mbps.¹
- 88 percent of non-metro health facilities purchase broadband at 50 Mbps or less.²

These data points support the point that applying the proposed regulatory regime across the board to both TDM and Ethernet services below 50 Mbps could benefit smaller and more rural anchor institutions.

Sincerely,



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Executive Director

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cc: Claude Aiken
Travis Litman

¹ Bertot, J.C., Real, B., Lee, J., McDermott, A.J., & Jaeger, P.T. (2015). 2014 Digital Inclusion Survey: Findings and Results. College Park, MD: Information Policy & Access Center, University of Maryland College Park. Available at http://digitalinclusion.umd.edu/sites/default/files/BroadbandBrief2015_1.pdf.

² "RURAL HEALTHCARE'S BROADBAND GAP WIDENS," by Brian Whitacre; Denna Wheeler; and Chad Landgraf, March 15, 2016, at <http://www.dailyonder.com/rural-healthcare-falls-further-behind-in-broadband-speeds/2016/03/15/12049/>.